

STATE OF NEW YORK DEPARTMENT OF PUBLIC SERVICE

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FEDERAL COMMUNICATIONS COMMISSION

October 5, 1995

William F. Caton, Acting Secretary
Federal Communications Commission
1919 M. Street, NW
Washington, DC 20554

Re: In the Matter of Telephone Number Portability
CC Docket No. 95-116 RM 8535

Dear Secretary Caton:

The comments filed by the New York State Department of Public Service in the above-referenced proceeding on September 12, 1995 indicated that a New York Public Service Commission order authorizing a service provider number portability trial would be provided once it was issued (NYSDPS comments, p. 2, fn. 2). Accordingly, the New York State Public Service Commission's Order Authorizing Trials of Service Provider Number Portability In Manhattan and Rochester is enclosed. We respectfully request that the Order be considered a supplement to our September 12 filing.

Very truly yours,

Mary E. Burgess

Mary E. Burgess
Staff Counsel

Enclosure

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STATE OF NEW YORK
PUBLIC SERVICE COMMISSION

At a session of the Public Service
Commission held in the City of
Albany on August 23, 1995

COMMISSIONERS PRESENT:

Harold A. Jerry, Jr., Chairman
Lisa Rosenblum
William D. Cotter
John F. O'Mara

CASE 94-C-0095 - Proceeding on Motion of the Commission to
Examine Issues Related to the Continuing
Provision of Universal Service and to Develop a
Framework for the Transition to Competition in
the Local Exchange Market

ORDER AUTHORIZING TRIALS OF
SERVICE PROVIDER NUMBER PORTABILITY
IN MANHATTAN AND ROCHESTER

(Issued and effective September 25, 1995)

BY THE COMMISSION:

Number portability is essential to the development of
vigorous local telephone service competition. In March 1995, the
Commission directed that a study of the feasibility of a trial of
true number portability and of the costs to regulated utilities
of participating in the trial be undertaken in this
proceeding,^{1/} and we also directed Commission staff to report
within 150 days the results of the feasibility study. Staff has
reported back that it has been involved with ten
telecommunications companies in a collaborative process for

^{1/} Case 94-C-0095 - Order Requiring Interim Number Portability
Directing a Study of the Feasibility of a Trial of True
Number Portability and Directing Further Collaboration
issued March 8, 1995.

several months to implement a trial of "true" (data-based) number portability in the State. The trial partners issued a Request for Proposal (RFP) on March 24, 1995. (A list of trial partners appears in Appendix I.) Six bids were received, and two vendors were subsequently chosen by the trial partners to participate in the trial. The RFP and the vendor evaluation matrix were created through collaboration of the partners and the full consensus of each. As proposed, the trial will be in two service territories--one vendor (USIntelco and Stratus Computer) will work with Rochester Telephone Corp. (Rochester) and several new entrants and interexchange carriers in Rochester; the other (a consortium of MCI Metro, Nortel, Tandem Computers, and DSC Communications) will work with New York Telephone Company (NYT) and other new entrants and interexchange carriers in Manhattan.

The proposed trial is scheduled to begin on February 1, 1996 and run for 6 months. Local exchange carriers (other than Rochester and NYT), interexchange carriers, and cellular carriers would have two weeks after the issuance of this order to notify the Secretary as to whether they would participate. The trial will be conducted in three phases:^{1/}

Phase I: The first phase will use unassigned central office codes in Manhattan and Rochester. These codes will be divided by line number among the trial participants. The numbers will be ported between participating carriers and test calls will be placed to demonstrate the functionality of the database platform.

Phase II: The second phase of the trial will utilize central office codes currently in use.^{2/} Line numbers for administrative offices of the trial participants which reside in

^{1/} Actual test plans are now being developed by both the Manhattan and Rochester trial teams.

^{2/} The East 56th (NXXs 935 and 318) and East 37th Street (NXXs 210 and 922) offices have been chosen for Manhattan while the Stone Street office (NXXs 987, 262, and 325) has been chosen for Rochester.

the trial central offices will be ported between carriers and the processing of normal traffic will be evaluated.

Phase III: The third phase of the trial will test the platform with customers. The trial participants' customers, who at the time of the trial are assigned line numbers out of trial central office codes, will be given the option of converting from the interim number portability solution that they currently use (e.g., Remote Call Forwarding) to the number portability database solution. The trial participants propose that at the end of the trial, customers who elected to participate will be converted back to their previous arrangement.

ISSUES RAISED

NYT and Rochester Comments

NYT submitted comments noting that, although it is committed to the trial, some technical shortcomings have been discovered which may affect the trial and the possible long-term implementation of number portability. Specifically, NYT states that it has identified some technical difficulties associated with feature interaction using the MCI Metro approach as currently proposed, which NYT believes may not be resolved before the start of the trial. These difficulties include a customer's inability to use Call Return and Auto ReDial to reach ported numbers, the inability of calls from public pay phones to be completed to customers in the test central office codes, and the inability to place ISDN data calls to the trial offices. MCI Metro believes that a series of proposed temporary measures would alleviate many, if not all of these problems, and it and NYT are working to resolve them more permanently. NYT is also concerned that the trial platform will not allow migration to geographic number portability.

Rochester also submitted comments regarding technical problems relating to the conduct of a trial in its service territory, including calls to the trial offices interacting with Centrex and Direct Inward Dialing trunks (DID) and calls that are

Operator-handled (0+, 0-). The problems identified by Rochester are similar to those identified by NYT in that these features and classes of services do not interact with an Advanced Intelligent Network (AIN) trigger. The vendor has proposed solutions to some of these problems, but because Rochester believes these short-term measures would not be part of any long-term solution, it questions what purpose they can serve in an analysis of long-term viability of number portability. Because of these technical problems, Rochester is concerned about the impact on customers not involved in the trial and is less optimistic than the vendor that the technical problems can be remedied by the trial start date.

In addition to the technical problems, Rochester also questions the purpose of testing the USIntelco database solution since it is already being tested in Seattle^{1/}. Rochester does not believe any additional relevant information not available from the Seattle trial will become available in New York. Finally, Rochester states that number portability is a national effort and it would prefer to yield to the Federal Communications Commission's (FCC)^{2/} number portability rulemaking proceeding.^{3/}

None of these comments provides a reason to delay this trial. Not all of the technical parameters can be expected to be fully worked out before the trial begins. While it is possible that neither the MCI Metro nor the USIntelco/Stratus solutions will turn out to be the perfect long-term solution to the issue of number portability, one of the purposes of the trial is to test assumptions and collect real data outside a laboratory

^{1/} USIntelco and Stratus Computer in conjunction with Electric Lightwave, a competitive local exchange carrier, are conducting a trial in the Seattle area.

^{2/} FCC Docket No. 95-116.

^{3/} Although Rochester informed staff on August 7, 1995, that it can no longer support the trial, the company later said that it will continue to work with all parties to develop a trial arrangement that is more suitable for the Rochester area and protects the integrity of the network.

setting. This data will contribute to our body of knowledge of what will make local number portability viable in the long run. For example, the technical questions raised by NYT and Rochester are an indication of the specific issues regarding deployment of AIN which must be addressed by the various switch manufacturers. Solutions to these technical issues should lead to the switching standards modifications necessary to make local number portability work. We will direct staff, in consultation with the trial partners, to report by January 1, 1996, on the progress that has been made in resolution of these technical issues. We expect all trial partners to cooperate fully in this effort and timely submit their comments to staff. The report should include the steps being taken to ensure that service to non-trial customers is not adversely affected during the trial, as well as a discussion of long-term number portability approaches and the relevant context of the proposed trial within that framework.

Rochester is wrong to suggest that the USIntelco trial in New York duplicates the Seattle trial. The two trials are not sufficiently similar to justify such concerns. Moreover, the Rochester trial will involve a much broader range of industry participants such as interexchange carriers and cellular carriers, whereas in Seattle the only participants are LECs.

Rochester has recommended that starting the trials await the conclusion of the FCC's rulemaking proceeding. True number portability is integral to the development of competition in the local service market and, if the proposed trials will serve to advance competition in New York, they must move ahead. It should be noted that the FCC proceeding is designed to gather information.^{1/} The Notice of Proposed Rulemaking, in fact, recognizes that state regulators have legitimate interests in the development of number portability and encourages individual state

^{1/} The FCC has asked for information on all forms of number portability, geographic location portability, service provider portability, interim portability (call forwarding, etc.), and 500 and 900 service code portability.

trials because they will provide empirical evidence and other relevant information.

Cost Recovery

NYT and Rochester both believe their continued participation in the actual trial should be contingent upon a Commission determination that the costs of the trials are recoverable under their respective regulatory incentive plans. Both the Rochester Open Market Plan (OMP) and NYT's Performance Regulatory Plan contain provisions related to long-term number portability. In both cases, the development of a long-term number portability solution is an integral part of each company's overall incentive plan.

Rochester has asked for a determination of how these costs, which it deems to be exogenous, could be recovered under the OMP. Under the terms of the OMP, however, no provision is made for recovery of exogenous costs, nor is the company allowed to defer such costs. Thus, there is no need for a mechanism by which Rochester can recover these costs.

NYT also raised the issue of cost recovery treatment. As part of its Performance Regulatory Plan, NYT is entitled to recover exogenous cost changes, including increases resulting from Commission mandates. Inasmuch as detailed cost information will not be available until the conclusion of the trial, however, the trial should proceed based on the preliminary cost estimates provided by NYT and Rochester.^{1/} The issue of whether and how trial costs should be recovered by NYT can be finally decided after the results of the trial are known, and actual rather than estimated costs have been calculated

^{1/} Rochester has estimated its trial costs to be \$782,000. NYT has estimated its trial costs to be between \$1.25 to \$1.5 million.

CONCLUSION

A solid trial framework, based on industry consensus, has been proposed and will be approved, subject to modification after review of Staff's report on the resolution of technical issues. The trial participants are authorized to proceed with the trial.

The Commission Orders:

1. A three-phase number portability trial substantially in the form submitted for Commission review is authorized to begin on February 1, 1996, except as it may be modified after review of staff's report described in order clause 4.
2. New York Telephone Company and Rochester Telephone Corp. are directed to continue to participate in and support the trial.
3. Other local exchange, interexchange, and cellular carriers are directed to choose whether to participate in the trial and to notify the Secretary of their decision within two weeks after the issuance of this order.
4. Staff, in consultation with the trial participants, is directed to report by January 1, 1996, on the resolution of any remaining technical issues. The report should address the long-term viability of the number portability approach and include the steps being taken to ensure that service to non-trial customers will not be adversely affected during the trial.
5. Staff, in consultation with the trial participants, is directed to submit a detailed report on the trial results within three months after the conclusion of the six-month trial. The report shall include broad-gauge cost estimates that could be used to determine the cost of deploying database technology to accomplish service provider number portability statewide.

6. New York Telephone Company shall submit, within three months of the conclusion of the trial, the actual costs incurred for the conduct of the trial to permit a further evaluation of the cost recovery issues.

7. This proceeding is continued.

By the Commission,

(Signed)

JOHN C. CRARY
Secretary

LIST OF TRIAL PARTNERS

MANHATTAN TRIAL

AT&T
LOCATE
MCI
MFS Intelenet, Inc.
New York Telephone
Sprint
TCG Communications
Time-Warner Communications

Vendor: Consortium of MCI Metro, Siemens Computer, Nortel,
and DSC Communications

ROCHESTER TRIAL

AT&T
Cellular One/Genessee Telephone Company
MCI
MFS Intelenet, Inc.
Rochester Telephone Corporation
Sprint
Time-Warner Communications

Vendor: USIntelco and Stratus Computer